

Message Text

UNCLASSIFIED

PAGE 01 OECD P 19109 01 OF 02 231804Z

46

ACTION EUR-12

INFO OCT-01 ISO-00 AID-05 CEA-01 CIAE-00 COME-00 EB-07

EA-10 FRB-01 INR-07 IO-10 NEA-10 NSAE-00 OPIC-06

SP-02 TRSE-00 CIEP-02 LAB-04 SIL-01 OMB-01 STR-04

/084 W

----- 037956

R 231741Z JUL 75

FM USMISSION OECD PARIS

TO SECSTATE WASH DC 8045

UNCLAS SECTION 01 OF 02 OECD PARIS 19109

PASS COMMERCE

E.O. 11652: N/A

TAGS: EIND, OECD

SUBJECT: AD-HOC WORKING PARTY ON ALUMINUM INDUSTRY,
JUNE 30-JULY 1

REF: A) STATE 152337; B) DSTI/IND/AL/75.10

SUMMARY: SECRETARIAT REGRETTED LATE ARRIVAL OF DOCUMENTS WITH RESULTANT INABILITY OF DELEGATIONS TO HAVE SUBSTANTIVE DISCUSSION OF ISSUES. (ORIGINALLY SCHEDULED 2-DAY MEETING ENDED ON FIRST DAY.) IN ABSENCE IN-DEPTH DISCUSSION, CHAIR INVITED DELEGATIONS TO SUBMIT TO SECRETARIAT BY JULY 31, WRITTEN COMMENTS, CHANGES, DELETIONS, ETC. WHICH THEY WISH TO MAKE IN THE FIVE REPORTS. SECRETARIAT PREPARED SHORT ENERGY QUESTIONNAIRE WHICH IS ALSO TO BE COMPLETED BY JULY 31. SECRETARIAT AND RAPORTEURS WILL PREPARE DRAFT CONCLUSIONS BASED ON WRITTEN COMMENTS. WP NEXT MEETS NOVEMBER 13-14, 1975. MARTIN C. FORRESTER, PERMANENT DELEGATION TO OECD WAS US REPRESENTATIVE. FRANK JONES, VICE-PRESIDENT, ALCOA ALUMINUM AND ROBERT MAIER, GENERAL COUNSEL, KAISER ALUMINUM, ATTENDED AS INDUSTRY ADVISERS. END
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 OECD P 19109 01 OF 02 231804Z

SUMMARY.

1. AGENDA ITEM 1 - AGENDA ADOPTION

AD-HOC WP CHAIRMAN DIETRICH (FRANCE) NOTED LATENESS OF MANY OF THE DOCUMENTS, ESPECIALLY REPORT ON BAUXITE SUPPLY CONDITIONS WHICH ARRIVED MORNING OF MEETING. SECRETARIAT (HILL) SAID RECENT HIGH LEVEL MEETINGS (COUNCIL AND IEA AT MINISTERIAL LEVEL) HAD "OVERLOADED SYSTEM" WITH RESULTANT DELAY IN TRANSLATIONS, PRINTING AND DISTRIBUTION. HILL THEN REPORTED THAT INDUSTRY COMMITTEE IS CONSIDERING 1976 WORK PROGRAM, AND INVITED DELEGATIONS TO PROVIDE SECRETARIAT WITH SUGGESTIONS AND TO ASSIGN PRIORITIES.

2. AGENDA ITEM 2 - EXTENSION OF MANDATE

NO DISCUSSION. SECRETARIAT AGREED TO PREPARE SHORT QUESTIONNAIRE ON INDUSTRY SUPPLY/DEMAND SITUATION.

3. AGENDA ITEM 3 - DRAFT REPORTS

A) ENERGY. RAPPORTEUR PRESENTED SLIGHTLY IMPROVED UPDATED VERSION OF REPORT DSTI/IND/AL/75.7. UK DEL MORLEY NOTED PAPER DID NOT ANSWER SOME BASIC QUESTIONS SUCH AS: WHAT ARE LONG-TERM EFFECTS OF ENERGY COSTS AND AVAILABILITY? WHAT WAS EFFECT OF PRICE AND AVAILABILITY DURING 1974-75? WILL INDUSTRIES RELOCATE IN ENERGY-CHEAP COUNTRIES? THE CHAIR AGREED THAT WHILE PAPER SHOULD FOCUS MORE ON ENERGY REQUIREMENTS AND COSTS, IT SHOULD ALSO "GLIMPSE INTO FUTURE". BELGIAN DEL ASKED FOR ENERGY COST DISAGGREGATION BY PRODUCTION STAGE IN MEMBER COUNTRIES. US AND CANADIAN DELS MAINTAINED THAT SUCH INFORMATION WAS PROPRIETARY. CHAIR THEN INVITED COUNTRY RESPONSES TO QUESTIONNAIRE DSTI/IND/AL/75.11 BY JULY 31. (QUESTIONNAIRE AIRPOUCHED JULY 15 AND TRANSMITTED SEPTTEL.) CHAIR NOTED GENERAL NATURE OF QUESTIONNAIRE AND ITS PRIMARY CONCERN WITH PROJECTIONS. CANADA NOTED THAT IN ABSENCE OF ALL ENERGY PRODUCERS AT MEETING, QUESTIONNAIRES' RESULTS COULD BE MISLEADING. CHAIR AGREED BUT OBSERVED THAT ALL MAJOR ALUMINUM COM-

UNCLASSIFIED

PAGE 03 OECD P 19109 01 OF 02 231804Z

PANIES WERE PRESENT, THUS QUESTIONS PERTAINING TO IMPACT OF ENERGY PRICE/AVAILABILITY ON STRUCTURE OF INDUSTRY COULD BE ANSWERED.

B) BAUXITE SUPPLY - DSTI/IND/AL/75.9. PAPER DISTRIBUTED MORNING OF MEETING AND, AS DELEGATIONS WERE UNABLE TO COMMENT OFFICIALLY, CHAIR INVITED THEM TO SUBMIT WRITTEN COMMENTS. AUSTRALIAN DEL OBSERVED THAT BY

VIRTUE ITS MEMBERSHIP IN OAPEC, IT COULD COMMENT IN
FUTURE ON RELATIONS WITH LDCS. (COMMENT: THIS APPEARED
TO BE SHIFT FROM AUSTRALIA'S EARLIER DEFENSIVE STANCE

UNCLASSIFIED

NNN

UNCLASSIFIED

PAGE 01 OECD P 19109 02 OF 02 231802Z

46

ACTION EUR-12

INFO OCT-01 ISO-00 AID-05 CEA-01 CIAE-00 COME-00 EB-07

EA-10 FRB-01 INR-07 IO-10 NEA-10 NSAE-00 OPIC-06

SP-02 TRSE-00 CIEP-02 LAB-04 SIL-01 OMB-01 STR-04

/084 W

----- 037857

R 231741Z JUL 75

FM USMISSION OECD PARIS

TO SECSTATE WASH DC 8046

UNCLAS SECTION 02 OF 02 OECD PARIS 19109

ON ITS OAPEC MEMBERSHIP. HERETOFORE AUSTRALIA DID NOT
APPEAR TO CONSIDER OAPEC AN APPROPRIATE DISCUSSION ITEM
WITHIN IC BODIES. END COMMENTS.) CANADIAN DEL SAID
THAT QUESTION OF RESERVES IS ILLUSIVE SINCE RESERVES
HAVE INCREASED OVER TIME. HE NOTED THESE CHANGES RE-
FLECT, IN PART, CHANGES IN PRICE AND TECHNOLOGY.

C) CAUSTIC SODA PRICES - DSTI/IND/AL/75.4. WP NOTED
REPORT WITHOUT COMMENT.

D) RECOVERY AND RECYCLING - DSTI/IND/AL/75.6.
US DEL MADE BRIEF INTRODUCTION AND INVITED DELEGATIONS
TO GIVE THOUGHT TO APPROPRIATE ROLE (IF ANY) FOR GOVERN-
MENTS TO INCREASE RECOVERY/RECYCLING RATES. BENELUX
DELS COMPLAINED OF POLLUTION PROBLEMS; NOTED THE NEED
FOR RECYCLING DEPENDS ON, INTER ALIA, WORLDWIDE
RESERVES, ENVIRONMENTAL AND POLITICAL CONCERNS.

BENELUX DELS SUGGESTED PAPER DID NOT ANSWER QUESTION
"WHY IS RECYCLING NECESSARY?" UK DEL (MORLEY) SAID
HIS GOVERNMENT HAS CONSIDERABLE INTEREST IN RECLAMATION;
HAS ORGANIZED A WASTE MANAGEMENT ADVISORY COMMISSION
WHICH, TOGETHER WITH UK ALUMINUM INDUSTRY INSTITUTE, IS
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 OECD P 19109 02 OF 02 231802Z

CONDUCTING RECYCLING STUDY. MORLEY INVITED OTHER DELS
TO REPORT TO SECRETARIAT ON THEIR OWN POLICIES AND CON-
DITIONS. MORLEY ALSO NOTED WP TRADITIONALLY FOCUSED ON
PRIMARY SECTOR AND SINCE REPORT SIGNALLED NEW DEPARTURE,
HE SUGGESTED THAT REPRESENTATIVES FROM SECONDARIES
ATTEND NEXT MEETING. (US DEL STATED USG HAD INVITED
SECONDARY SMELTER REP WHO WAS UNABLE TO ATTEND.) CHAIR
OBSERVED REPORT WAS TOO US-ORIENTED, AND INVITED DELE-
GATIONS TO SUBMIT NOTES EXPLAINING THEIR RECOVERY PRO-
GRAMS. REPORTS SHOULD INDICATE, INTER-ALIA, RELATION-
SHIP AND/OR IMPACT OF RECYCLING ON PRIMARY ALUMINUM AND
RISING ENERGY PRICES.

E) INFLATION AND INVESTMENT - DSTI/IND/AL/75.8.

UK DEL INQUIRED WHETHER CURRENT SITUATION IS WORSE THAN
EXCESS CAPACITY PROBLEM OF 1970-71. CANADIAN DEL GAVE
AFFIRMATIVE REPLY NOTING INDUSTRY CONFRONTED WITH IDLE
CAPACITY, SHUTDOWNS AND UNPRECEDENTEDLY HIGH INVENTO-
RIES. PARA 5 WILL BE REVISED AS PER INSTRUCTIONS CON-
TAINED IN REF A AND DELEGATIONS WILL BE ASKED TO OBTAIN
LATEST INDUSTRY ESTIMATES OF 1975 CONSUMPTION. CANADIAN
DEL STRESSED THAT INFLATION PAPER IS KEY REPORT AND
SHOULD BE USED AS SUMMARIZING DOCUMENT FOR OTHER CHAP-
TERS. CHAIR CAUTIONED AGAINST OVEREMPHASIZING INVEST-
MENT AND THAT SECRETARIAT WILL PREPARE SUMMARY OF ALL
REPORTS.

4. CHAIR INVITED DELEGATIONS TO SUBMIT ANY WRITTEN COM-
MENTS, CHANGES OR ADDITIONS BY JULY 31 FOR ALL FIVE
REPORTS. SECRETARIAT WILL WORK WITH RAPORTEURS IN RE-
VISING FIRST DRAFTS, AS WELL AS PREPARING DRAFT CONCLU-
SIONS.

ACTION REQUESTED: ADVISE MISSION OF PROPOSED CHANGES
(IN ADDITION TO THOSE CONTAINED IN REF A) FOR ALL REPORTS.
COMMENTS ARE REQUESTED BY JULY 31 IF POSSIBLE.

5. AGENDA ITEM 4 - WP6 OF COUNCIL ON SHIPBUILDING.
WP AGREED TO PROVIDE RELEVANT DATA TO WP6 AS REQUIRED.

6. AGENDA ITEM 5 - OTHER BUSINESS.
NETHERLANDS DEL MADE FORCEFUL PRESENTATION RE LATE
UNCLASSIFIED

UNCLASSIFIED

PAGE 03 OECD P 19109 02 OF 02 231802Z

ARRIVAL OF DOCUMENTS AND EXPRESSED HOPE THAT NEXT
MEETING OF WP WILL BE MORE PRODUCTIVE THAN THE JUNE 30
MEETING. NEXT SESSION IS SCHEDULED FOR NOVEMBER 13-14.
TURNER

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: MEETING AGENDA, ALUMINUM, INDUSTRY, COMMITTEE MEETINGS, MEETING DELEGATIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 23 JUL 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975OECDP19109
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750254-0703
From: OECD PARIS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750729/aaaabage.tel
Line Count: 231
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 5
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 75 STATE 152337
Review Action: RELEASED, APPROVED
Review Authority: CollinP0
Review Comment: n/a
Review Content Flags:
Review Date: 21 APR 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <21 APR 2003 by ThomasVJ>; APPROVED <17 MAR 2004 by CollinP0>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
06 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: AD-HOC WORKING PARTY ON ALUMINUM INDUSTRY, JUNE 30-JULY 1
TAGS: EIND, US, OECD, (FORRESTER, MARTIN P), (MAIER, ROBERT), (JONES, FRANK)
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006